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FM AMCONSUL SAO PAULO  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 6659  
INFO RHEHNSC/NATIONAL SECURITY COUNCIL WASHDC IMMEDIATE  
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SUBJECT: MEDIA REACTION: WESTERN HEMISPHERE: VENEZUELA; SAO PAULO

"Chvez Advances To Create His Power Machine"

Business-oriented Valor Economico (3/27) editorialized: "Venezuelan President Hugo Chvez's project for his 21st Century Socialism advanced two steps over the weekend. The first was the creation of Venezuela's United Socialist Party (PSUV), a political group that will monopolize political actions carried out by Chvez's unconditional followers, who want the establishment of a dictatorship.... The second was the intensification of the land reform project, with the expropriation of 330,000 hectare of land considered unproductive.... Chvez enjoys immense popular support to carry out such actions, which are also the result of an irresponsible elite and politicians without vision. The future course of his government seems to be clear. Supported by democratic institutions, Chvez has already advanced and accumulated powers in a first stage. The second stage will be the dictatorship of a caudillo."

McMullen